

Responsible Growth

Having helped set the stage for Hawaii's economic turnaround, Democratic lawmakers recognized the need to balance economic growth with measures to address the adverse consequences that often accompany progress. Residents of Hawaii know all too well the expensive price tag that comes with a prosperous economy – increased traffic congestion, runaway housing prices, an emerging energy crisis, and aggressive development that threatens Hawaii's unique natural and cultural assets.

House Democrats responded to these concerns by adopting a multi-pronged, responsible-growth strategy that began in 2005.

- ◆ The **Legacy Land Act** of 2005 provided a dedicated funding source to assist government and non-profit entities in their efforts to preserve our most treasured lands and protect them from development.
- ◆ The **2005 Housing Omnibus** measure overhauled the **Rental Housing Trust Fund** and the **Housing and Community Development Corporation of Hawaii** making them more responsive to the needs of the poor and working classes.
- ◆ The **county surcharge** bill authorized the counties to adopt a surcharge on the general excise tax that would provide a dedicated funding source for public transportation programs and, for Oahu, the long-anticipated mass transit system.

Building on these past accomplishments, House Democrats in 2006 continued their campaign to promote and expand on these responsible-growth principles.

- ◆ The **2006 Housing Omnibus Bill** increased from 30 to 50 percent the amount of conveyance tax moneys set aside for affordable rental housing; allowed public lands to be leased for \$1 per year by the Hawaii Housing Finance and Development Administration (HHFDA) for the development of affordable self-help ownership units; and required lands suitable for affordable housing to be transferred by the Department of Land and Natural Resources to HHFDA.
- ◆ **Affordable housing** leases were provided by authorizing HHFDA to lease land for \$1 per year to qualified nonprofit organizations providing affordable housing to low- and middle-income households.
- ◆ Affordable housing units in **Kukui Gardens** were preserved by requiring HHFDA or another appropriate state entity to negotiate with the owners of

Kukui Gardens to extend affordable rents through 2016 or acquire the property.

- ◆ The local character of valuable public lands in the Kakaako Community Development District was maintained by prohibiting the sale of certain state lands and approving of residential development in the **Kakaako Makai** area.
- ◆ The environmental, historical, and cultural legacy of **Waimea Valley, Oahu**, was preserved by providing \$1,600,000 to be used as the State's contribution in a collaborative purchase of the valley with other government and private entities.
- ◆ **Alternative energy development and energy self-sufficiency** was encouraged through a comprehensive State energy strategy including:
 - An increase in the Renewable Energy Technology Tax Credit for certain renewable energy systems and making the tax credit permanent;
 - Preferences for biofuels in state procurement contracts;
 - A Renewable Hydrogen Program to develop a renewable hydrogen industry in Hawaii;
 - A pay-as-you-save solar water heating pilot program to make purchases of residential solar water heating systems more affordable;
 - "Green" building practices, solar water heating systems, energy efficient equipment, and water-saving and energy efficiency practices to be implemented by state agencies; and
 - The purchase of increasingly higher percentages of energy-efficient vehicles until state agency fleets meet specified quotas.

Keiki Care

The House Leadership remains committed to ensuring that each child in Hawaii is provided with the opportunity to meet their untapped potential and fulfill their dreams. Today, there are many impediments that prevent our keiki from enjoying the highest quality of life that our state has to offer: impediments such as problems with our schools, drugs, crimes against our children and lack of health care coverage.

To address these problems, House Democrats successfully guided several key initiatives through the Legislature in 2006.

EDUCATION OF OUR KEIKI

- ◆ The **Fix Hawaii Schools Act** provided \$235,000,000 to jumpstart critical repair, maintenance, and renovation projects for Department of Education (DOE) classrooms and school facilities.
- ◆ Funds were provided to develop a comprehensive **early learning system** that acknowledges the important role of parent education and family relationships, including funding to enhance junior kindergarten services, expand DOE Families for the R.E.A.L. early childhood program, and increase the number of families served through the Head Start program.
- ◆ DOE was authorized to employ **retired teachers and administrators** to teach in teacher shortage areas and serve as mentors for new classroom teachers.

HEALTH AND WELFARE OF OUR KEIKI

- ◆ **Hawaii Children's Health Care Program**, a partnership between the State and a mutual benefit society, was established to provide health care to uninsured children.
- ◆ **Nonschool-hour programs** of DOE, Department of Parks and Recreation, and the Office of Youth Services were funded.
- ◆ Mandatory jail time for persons convicted of **electronic enticement** of a child (EEOC) was established and this crime was added to the list of felonies subject to repeat offender sentencing.
- ◆ A constitutional amendment was proposed to remove unreasonable roadblocks to the conviction of persons who commit the crime of continuous **sexual assault** of a minor under the age of 14; and legislation was passed to

implement the law upon adoption of the constitutional amendment by the voters.

- ◆ Made knowingly, intentionally, or recklessly causing or permitting a minor to ingest **crystal meth** a class C felony or misdemeanor.
- ◆ Made the **zero tolerance** policy for drugs and alcohol in public schools permanent and specified procedures requiring a school to screen violators of the zero tolerance policy to determine whether they should be referred for substance abuse assessment.

Protection and Security

Most policymakers, even the most optimistic, realize that government cannot do everything. With finite resources, the needs of the people have to be prioritized and lines have to be drawn in choosing the issues that require the most attention. Compromise is necessary.

However, one policy area that House Democrats have steadfastly refused to compromise is public security. We have consistently operated under the principle that government must do whatever it can to protect its citizens from harm. In 2006, Democratic policymakers kept several pieces of legislation designed to accomplish this goal in the forefront.

- ◆ A "**three strikes and you're out**" law established a mandatory sentence of 30 years to life for habitual violent felons, those who are convicted for the third time of certain violent crimes.
- ◆ Authorized wire, oral, or **electronic surveillance** was expanded to include all cases involving drugs, and money laundering by organized crime.
- ◆ **Smoking** in government facilities, places open to the public, and places of employment was prohibited.
- ◆ Individuals were protected from **identity theft** by:
 - Prohibiting businesses from disclosing, printing, or selling social security numbers in certain situations;
 - Requiring business and government agencies to notify residents when the safety of the residents' personal information has been compromised by unauthorized disclosure;
 - Allowing victims of identity theft to place a security freeze on their credit reports to prevent identity thieves from securing credit in the victim's name; and
 - Requiring businesses and government agencies to destroy documents or other materials containing personal information, when such documents and materials are discarded.
- ◆ Persons under the age of 21 who **illegally purchase or possess liquor** will now have their license or permit suspended for 180 days, and be required to perform community service and attend alcohol education counseling.

- ◆ Exceeding the speed limit by 30 miles per hour or more, or driving 80 miles per hour or more regardless of the speed limit was defined as "**excessive speeding**" and will carry harsh penalties.

NATURAL DISASTERS

- ◆ Hawaii's rapidly growing **coqui frog** problem was addressed by:
 - Providing \$2,000,000 for coqui frog research, eradication, and control efforts in Kauai, Maui, Oahu, and the Big Island;
 - Making coqui frogs subject to the Department of Agriculture's pest eradication and control powers; and
 - Making permanent the Hawaii Invasive Species Council, which performs invaluable coordination and policymaking functions;
- ◆ **Emergency preparedness and response** efforts in the event of a catastrophe were supported by:
 - Providing \$9,000,000 for various emergency preparedness measures including early warning systems, public awareness campaigns, a backup generator for Queens' Medical Center, and funding for the American Red Cross; and
 - Allowing Hawaii to become a member of the Emergency Management Assistance Compact allowing Hawaii to immediately call upon member states to provide aid during a disaster.
- ◆ Recovery from the destruction caused by the **heavy rains and flooding** in our state and preparations to minimize future damage were facilitated by:
 - Providing more than \$60,000,000 to repair damage, stabilize slopes and drainage systems, assess the structural integrity of dams and reservoirs statewide, and recommend measures to ensure dam safety; and
 - Providing a one-time tax credit up to \$10,000 per taxpayer for costs related to the severe flooding that occurred between February and April of 2006, and on October of 2004 in Manoa.

Unmet Needs

"A rising tide lifts all boats." This philosophy of trickle-down economics, made popular in the 1980's, has been widely discredited. Rapidly rising wealth for the rich usually serves only to widen the income gap between the rich and the poor to extreme levels. Hawaii's recent economic resurgence has helped many of us find better jobs, earn more money, and attain a higher standard of living for ourselves and our families. However, there are some of us who have been left behind, clinging desperately to leaky life preservers, unable to climb onto a boat to enjoy the benefits of this recovery. House Democrats, true to our historical legacy, have made it a priority to reach out and lend a hand to those less fortunate.

- ◆ Hawaii's **homeless crisis** was addressed by providing \$50,000,000 to, among other things:
 - Repair and modernize existing transitional and emergency shelters;
 - Construct emergency and transitional housing for abused families with dependent children; and
 - Provide homeless shelters, programs, and services with the help of various nonprofit organizations and the County of Hawaii.
- ◆ More people will be able to obtain prescription drug coverage under the State **Pharmacy Assistance Program** (Program) due to:
 - Expansion of those eligible for the Program to include persons with household incomes at or below 150 percent of the federal poverty level; and
 - The ability of persons enrolled in the Medicaid drug benefits program to also enroll in the Program.
- ◆ The availability of dental services for low-income families, developmentally disabled, and the uninsured was increased by funding new community-based **dental health clinics** and making permanent provisions in the law that make it easier for licensed **out-of-state dentists** to provide services in Hawaii.
- ◆ **Grants to various health- and human services-related service providers** were allocated to the following:
 - Community health centers, including Waianae Coast Comprehensive Health Center, Molokai General Hospital, and the Hana Community Health Center; and

- Organizations that help at-risk youth, needy families, low-income elderly, the disabled, and immigrants, including Hui Malama Learning Center, Maui Economic Opportunity, Inc., and Adult Friends for Youth.

The Economy

The performance of the economy in recent years has silenced recurring and ill-informed criticism that Hawaii is a "bad place to do business." Having helped engineer the economic turnaround through massive state income and general excise tax cuts beginning in the late 1990's, Democratic lawmakers in 2006 took the initiative to ensure that the recovery continues into the foreseeable future.

- ◆ Permanent **tax relief** has been provided for thousands of low- and middle-income families by expanding state income tax brackets by 20 percent and raising the standard deduction for taxpayers to 40 percent of the federal level.
- ◆ Incentives for the production of movies and television programs in Hawaii have been upgraded by temporarily replacing the existing film tax credit with an improved **Motion Picture, Digital Media, and Film Production Tax Credit**. This tax credit provides an income tax credit of 15 percent of qualified production costs incurred in Honolulu, and 20 percent of qualified production costs incurred in the other counties, up to a limit of \$8,000,000 per qualified production.
- ◆ Provided incentives for agricultural projects by proposing a constitutional amendment to allow special purpose revenue bonds to be issued to assist agricultural enterprises serving **Important Agricultural Lands**, and passing enabling legislation that will go into effect upon the adoption of the constitutional amendment.
- ◆ The critical shortage in the trades caused by the recent boom in new construction was addressed by making permanent the **Construction Academy** within UH's community college system which teaches the foundational skills necessary for a career in the trades.
- ◆ The **Hawaii Ingenuity Corporation Charter** was established to protect the intellectual property of inventors, entrepreneurs, writers, artists, and other talented professionals in Hawaii.